



On March 11, 2021, the American Rescue Plan Act of 2021 (ARPA) was signed by President Biden. ARPA is a \$1.9 trillion economic stimulus package proposed by Biden to speed up the United States' recovery from the economic and health effects of the COVID-19 pandemic.

ARPA includes a provision for a COBRA continuation coverage premium subsidy of 100 percent for individuals and families who experienced an involuntary termination of employment or reduction in hours.

This subsidy will be available for Assistance Eligible Individuals (AEIs), as determined by the Act, from April 1, 2021 through September 30, 2021. COBRA participants must meet the below criteria in order to be an AEI:

1. Coverage was lost due to involuntary termination of employment or reduction in hours.
2. The COBRA participant is still within the COBRA eligibility period as of April 1, 2021.
3. Eligible COBRA participants who do not have an election in place will have the opportunity to make an election during an Extended Election Period and will be able to take advantage of the subsidy effective April 1, 2021. This will be referred to as the "lookback period" in determining member eligibility.
4. Eligible COBRA participants who have an election in place as of April 1, 2021 will be able to take advantage of the subsidy effective April 1, 2021.
5. Eligible COBRA participants who become eligible for COBRA continuation coverage on or after April 1, 2021 will be eligible for the subsidy while it is in effect.

To help our employers and broker partners we will be providing list of employees that are eligible based on the lookback period. If we have taken over your plan and don't have this prior data, you can contact your account manager and they'll provide you with a census worksheet we can use to do a mass update to subsidy eligible members. These lists will be available towards the end of March and we'll start sending them out as soon as our software provider has made the updates that they need.

APA will provide lists of employees in the subsidy eligible group to the employer in the end middle of April. The start of this will depend on when our software provider finishes the updates they require to support this change.

ARPA requires the Department of Labor (DOL) to provide model notices within 30 days from the date of enactment — on or before April 10. APA will incorporate the DOL's language into a set of WEX standard subsidy notices, referred to as AEI Notices. The Act requires that individuals in the lookback period, as well as those currently enrolled, receive a notification regarding the subsidy within 60 days of April 1, 2021; newly eligible COBRA participants should be notified within the current standard COBRA time frames.

APA will begin notifying all those that are eligible as soon as the AEI Notices are available.

As with any legislative or regulatory changes affecting COBRA participants, APA is actively working to determine additional requirements and functionality needed. We will communicate more details about the availability of the subsidy eligible lists and when we will begin sending out the AEI Notices as we are aware.

Thank you,

APA Benefits, Inc.
COBRA and Health & Welfare Teams